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# **Europe, COVID-19, and U.S. Relations**

## **COVID-19** in Europe

Like most of the rest of the world, European governments and the European Union (EU) have struggled to manage the Coronavirus Disease 2019 (COVID-19) pandemic. European leaders have characterized the pandemic as Europe's biggest challenge since the Second World War, with potentially far-reaching political, social, and economic consequences beyond the public health impact. COVID-19 also has added new tensions to an already strained U.S.-European partnership. Members of Congress may be interested in COVID-19's implications for U.S. relations with Europe, including in NATO and with the EU, and in how the pandemic might alter certain U.S.-European dynamics, especially vis-à-vis China.

#### **S**tatistics

The first wave of the pandemic in Europe occurred in spring 2020 but subsided in the summer. A second wave began in early fall 2020. As of late October 2020, about 6.6 million confirmed COVID-19 infections and over 215,000 deaths had been reported across the 27-member EU, the United Kingdom (UK), Norway, and Switzerland (out of a combined population of roughly 527 million).

Table 1. COVID-19 Cases and Deaths in Europe: Top 10 Affected Countries

(by number of cases, as of end of October 2020)

Country	Cases	Deaths	Deaths per 100,000	Case Fatality Rates
France	1,244,242	35,582	53.12	2.9%
Spain	1,116,738	35,298	75.55	3.2%
UK	920,664	45,455	68.36	4.9%
Italy	564,778	37,700	62.38	6.7%
Germany	463,419	10,121	12.20	2.2%
Belgium	333,718	10,899	95.42	3.3%
Netherlands	318,152	7,204	41.81	2.3%
Czech Rep.	284,033	2,547	23.97	0.9%
Poland	280,229	4,615	12.15	1.6%
Romania	217,216	6,574	33.76	3.0%

**Source:** Johns Hopkins University School of Medicine, Coronavirus Resource Center, October 28, 2020, updated daily at https://coronavirus.jhu.edu/.

As seen in **Table 1**, France, Spain, and the UK have experienced the largest number of infections. The second wave is hitting several Central and Eastern European countries—including the Czech Republic and Poland—

harder than the first wave. Although rising new infections may be due partly to increased testing, the second surge follows the relaxation of restrictions on social and economic activity in many European countries over the summer and the onset of colder weather. To date, death rates across Europe appear lower than during the first wave, but many public health officials predict these rates may climb, given the rise in cases and hospitalizations.

### **European Responses**

In March 2020, in response to the first wave of the pandemic, nearly all European governments imposed national "lockdown" restrictions and social-distancing measures—including banning large gatherings, closing schools and nonessential businesses, and restricting movement—although these measures varied by country in strictness and other aspects. Most European governments also enacted national border controls. Sweden took a notably different approach that trusted citizens to practice social distancing and imposed few mandatory restrictions; some public health experts remain skeptical about this policy's success in building immunity among the general public and contend it failed to protect the most vulnerable. European governments began implementing phased reopening plans in mid-April and early May 2020. Most European leaders stressed the need for continued social distancing, and many governments required the use of facemasks, especially indoors.

The pandemic has spurred serious economic difficulties throughout Europe. For 2020, the EU forecasts its total economy will contract by 8.3% and average unemployment across the bloc will rise to 9%. The UK's economy entered into recession in August 2020. Measures enacted by European governments to mitigate the economic downturn include loan programs and credit guarantees for companies, income subsidies for affected workers, tax deferrals, and debt repayment deferments.

As COVID-19 cases began to increase again in early fall, European governments initially attempted to avoid a second round of national lockdowns, opting instead for targeted restrictions on regional or local virus "hot spots" to preserve economic recovery and in light of growing "pandemic fatigue" and public protests. Most governments have kept schools open, but many have been implementing progressively more restrictive measures. These measures have included, for example, imposing curfews, closing or restricting the operation of restaurants and bars, further limiting social gatherings, and expanding mandatory mask usage. By the end of October, Belgium, the Czech Republic, France, Germany, Ireland, Italy, Spain, and others had reimposed national restrictions, although measures in some countries are less stringent than during the first wave.

#### **EU Actions**

Although national governments retain control over most aspects of health policy, the EU has sought to play a leading role in managing the European response to the pandemic. Critics contend the EU lacked a coherent plan in the early stages of the crisis and member states initially pursued disparate strategies, but many analysts assess that the EU has made progress in overcoming internal discord. The EU coordinated the imposition of bloc-wide travel restrictions on most foreign visitors; worked to ensure the provision of sufficient personal protective equipment (PPE) and other medical supplies across Europe; and is supporting research and development (R&D) of treatments, diagnostics, and vaccines, in part through leading international donor efforts.

Promoting economic recovery has been another area of EU focus. The EU approved a  $\mbox{\in}540$  billion (about \$640 billion) financial aid package for workers, businesses, and member states. It is planning longer-term support through a  $\mbox{\in}750$  billion (around \$890 billion) recovery fund—which would include issuing EU bonds backed jointly by member states—attached to a  $\mbox{\in}1.1$  trillion (roughly \$1.3 trillion) seven-year budget. The European Central Bank, which manages the EU's common currency (the euro) used by 19 members, launched an emergency bond-buying program totaling  $\mbox{\in}1.35$  trillion (about \$1.6 trillion) as of June 2020.

#### **NATO's Role**

NATO and allied military personnel, including from the United States, have taken an active role in assisting civilian responses to COVID-19 in Europe and beyond. Although NATO traditionally focuses on military threats, the alliance possesses command and control and logistics capabilities to coordinate multilateral responses to a range of security challenges, including natural disasters and the COVID-19 pandemic. Among other measures, NATO officials report that allied military forces have flown over 350 flights to transport equipment and thousands of medical personnel and have helped to build over 1,000 field hospitals across the alliance. In an effort to bolster its pandemic response capacities, in June 2020, NATO agreed to establish a stockpile of medical equipment and a new fund to enable rapid distribution of medical supplies and services.

## Impact on U.S.-European Relations

Under the Trump Administration, significant U.S.-European divisions exist on trade and tariffs, defense spending, the role of multilateral institutions, and key foreign policy concerns (including with respect to Russia, China, and the Middle East). Pandemic-related travel bans; competition for PPE, medical equipment, and the R&D of vaccines and treatments; and the U.S. decision to withdraw from the World Health Organization have generated further transatlantic friction. Many analysts consider U.S. and European leadership as instrumental in managing past global public health crises, such as the 2014-2016 Ebola outbreak, but view diplomatic cooperation on the COVID-19 pandemic as largely lacking. The Trump Administration maintains that it is working closely with European partners to address various aspects of the pandemic, including in NATO and the Group of 7 (G-7) leading industrialized democracies. U.S. and EU scientific and regulatory experts also have established technical dialogues on pandemicrelated issues.

#### **Relations with China**

Despite current U.S.-European tensions, some experts contend that COVID-19 could prompt a closer alignment of U.S. and European policy interests with respect to China. The Trump Administration and some in Congress have voiced apprehension about China's efforts to enhance its influence in Europe. Notwithstanding initial concerns that China's so-called *facemask diplomacy* would build goodwill, many analysts now assess that the pandemic and its aftermath—including China's waging of a pandemicrelated disinformation campaign in Europe—may harden European attitudes toward China. For some Europeans, the pandemic has highlighted Europe's overreliance on China in global supply chains and the vulnerability of its critical infrastructure and companies to foreign takeover. China's COVID-19-related actions appear to be contributing to making some European governments—such as those in the UK and France—more hesitant about involving Chinese telecommunications company Huawei in building out their fifth generation (5G) wireless networks. The Trump Administration has urged European allies to exclude Huawei for security reasons. The United States and the EU launched a new dialogue on China in October 2020 to discuss both common concerns and policy differences.

#### **Congressional Interests**

Many Members of Congress retain a long-standing interest in European affairs and the transatlantic partnership, despite periodic foreign policy, security, or trade differences. Some analysts argue that the pandemic requires more robust U.S.-European cooperation. Potential areas for congressional consideration may include the following:

- The extent of U.S.-European collaboration on COVID-19 in existing forums, such as NATO or the G-7, and possible new initiatives, such as a U.S.-EU dialogue and/or an early warning system on global health threats.
- Possibilities for enhancing U.S.-European economic cooperation to help promote financial recovery on both sides of the Atlantic, including through potential new U.S.-EU and U.S-UK free trade agreements.
- Ways in which the United States and Europe might work together to reduce supply chain vulnerabilities for PPE and other medical equipment, for example by deepening existing U.S.-EU regulatory cooperation on pharmaceuticals and medical devices.
- Options for countering COVID-19 disinformation campaigns that have targeted the United States and its European allies and are believed to be backed by China, Russia, and other foreign powers.
- Prospects for and challenges to greater U.S.-European coordination in addressing China's geopolitical and economic rise.

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